

KAPUT JIM L
Form 5
February 13, 2006

FORM 5

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL
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Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *
KAPUT JIM L

(Last) (First) (Middle)

3250 LACEY ROAD, SUITE 600

(Street)

2. Issuer Name and Ticker or Trading Symbol
SERVICEMASTER CO [SVM]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2005

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. VP & General Counsel

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting

(check applicable line)

DOWNERS
GROVE, IL 60515-1700

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	(A) or (D)	Price	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common stock \$.01 par value	Â	Â	Â	Â	Â	Â	63,222 ⁽¹⁾	D	Â
Common stock \$.01 par value	Â	Â	Â	Â	Â	Â	15,770	I	through 401(k) plan
Common stock \$.01 par value	Â	Â	Â	Â	Â	Â	400	I	Cust. for children

Common stock \$.01 par value Â Â Â Â Â Â 5,300 ⁽²⁾ I Deferred Comp

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
					(A) (D)	Date Exercisable	Expiration Date	Title	
Stock Options (Right to buy)	\$ 8.75	Â	Â	Â	Â Â	08/08/2001	08/07/2007	Common Stock	10,000
Stock Options (Right to buy)	\$ 10.52	Â	Â	Â	Â Â	03/16/2002	03/15/2008	Common Stock	15,000
Stock Options (Right to buy)	\$ 11.4125	Â	Â	Â	Â Â	04/01/2001	03/31/2010	Common Stock	50,000
Stock Options (Right to buy)	\$ 13.83	Â	Â	Â	Â Â	02/08/2003	02/07/2009	Common Stock	85,000
Stock Options (Right to buy)	\$ 13.87	Â	Â	Â	Â Â	05/04/2000	05/03/2006	Common Stock	541
2000 Emplée Stock Option (Right to Buy)	\$ 9.88	Â	Â	Â	Â Â	03/18/2004	03/17/2013	Common Stock	66,666

2003 EIP Stock Appreciation Right	\$ 10.73	Â	Â	Â	Â	Â	02/13/2005	02/12/2014	Common Stock	50,00
2003 EIP Stock Appreciation Right	\$ 13.44	Â	Â	Â	Â	Â	02/11/2006	02/10/2015	Common Stock	50,00

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KAPUT JIM L 3250 LACEY ROAD, SUITE 600 DOWNERS GROVE, IL 60515-1700	Â	Â	Â Sr. VP & General Counsel	Â

Signatures

Sandra L. Groman by power of attorney 02/13/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Includes 564 shares acquired through dividend reinvestment during the months of January through December 2005.
- (2) Includes 92 shares acquired through the dividend reinvestment feature of the ServiceMaster Deferred Compensation Plan during the months of July through December 2005.
- (3) The option is exercisable in five equal annual installments beginning on the first anniversary of the date of the grant.

In 1999, ServiceMaster entered into a joint venture with Kleiner, Perkins, Caufield & Byers to develop an Internet company, We Serve Homes.com ("WSH"). A WSH option was granted in 2000. On January 11, 2002, the WSH option was converted into a ServiceMaster option at a ratio of 55.48 to 1, pursuant to a merger with a subsidiary of ServiceMaster in a transaction exempt under Rule 16b-7.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.